

Message Text

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ORIGIN XMB-04

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DRAFTED BY: XMB:JHGAINER, COUNSEL:HBS

APPROVED BY: EB/IFD/ODF:RASWART

OPIC:DGREGG (INFO)

XMB:WCSAUER

EA/TB:JAKLEMSTINE (INFO)

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FM SECSTATE WASHDC

TO AMEMBASSY BANGKOK

UNCLAS STATE 239941

FOR WOLFE, EXIM

E.O. 11652: N/A

TAGS: ETRD, US, TH (STAVE, THOMAS C.)

SUBJ: SIAM KRAFT, EXIM CREDIT 2336 (SKPC)

YOU MAY PREPARE AN ACCEPTANCE OF GENERAL TERMS AND
CONDITIONS OF MANAGEMENT CONTRACT BEHALF EXIM/OPIC, AS FOLLOWS:
QUOTE WE, THE UNDERSIGNED, HEREBY CONFIRM THAT THE ATTACHED
GENERAL TERMS AND CONDITIONS FOR MANAGEMENT CONTRACT BETWEEN
THE SIAM KRAFT PAPER COMPANY LIMITED (SKPC) AND SIAM CEMENT
CO., LTD. (SCC) (REVISION DATED 26/9/1975) (GENERAL TERMS AND
CONDITIONS) ARE ACCEPTABLE TO US AS THE BASIS FOR NEGOTIATION
OF AN INTERIM MANAGEMENT CONTRACT AND FOR THE COMMENCEMENT OF
THE INTERIM MANAGEMENT PERIOD, AS OF OCTOBER 1, 1975, SUBJECT TO
THE FOLLOWING MODIFICATIONS OF THE INDICATED SECTIONS OF THE
ATTACHED GENERAL TERMS AND CONDITIONS: 1.1 SUBSTITUTE QUOTE
PRINCIPAL UNQUOTE FOR QUOTE INSTITUTIONAL UNQUOTE AND QUOTE CON-
SISTING OF UNQUOTE FOR QUOTE INCLUDING UNQUOTE. 1.2 SUBSTITUTE QUOTE
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ON WHICH ONE OR MORE CREDITORS MAY BE REPRESENTED UNQUOTE FOR
QUOTE REPRESENTING UNQUOTE. 1.6 ADD NEW SECTION 1.6: QUOTE
CREDITORS' AGREEMENT - AN AGREEMENT OR AGREEMENTS BETWEEN SKPC
AND THE CREDITORS INCLUDING, INTER ALIA, MATTERS SET OUT IN
SECTION 2.5. UNQUOTE. 2.1 SUBSTITUTE FOR ENTIRE SECTION QUOTE
ONE OR MORE CREDITORS MAY BE REPRESENTED ON SKPC'S BOARD UNQUOTE.
2.2 INSERT BEFORE QUOTE CREDITORS UNQUOTE THE WORDS QUOTE ONE
OR MORE UNQUOTE AND SUBSTITUTE THE WORD QUOTE MAY UNQUOTE FOR
QUOTE ARE TO UNQUOTE. 2.3 INSERT NEW SECTION, AS FOLLOWS: QUOTE
SPECIFIED ACTIONS OF SKPC WILL BE RESTRICTED BY THE CREDITORS'
AGREEMENT AND WILL BE PERMITTED ONLY WITH THE CONSENT OF THE
CREDITORS; PROVIDED THAT, UNLESS AND UNTIL THE DECLARATION OF AN
EVENT OF DEFAULT UNDER THE CREDITORS' AGREEMENT, SCC MAY CON-
CLUSIVELY PRESUME THAT ALL SUCH CONSENTS HAVE BEEN GIVEN QUOTE.
2.4 (OLD 2.3) INSERT BEFORE QUOTE CREDITORS UNQUOTE THE FOLLOW-
ING: QUOTE SKPC, PRINCIPAL SHAREHOLDERS OF SKPC AND
UNQUOTE; AND INSERT BEFORE QUOTE EQUITY UNQUOTE: QUOTE DEBT
AND UNQUOTE. 2.5 (OLD 2.4) DELETE OLD 2.5 AND SUBSTITUTE
FOR THE OLD 2.4 THE FOLLOWING: QUOTE SKPC IS TO BE REORGANIZED
TO RESTRUCTURE DEBT, EQUITY, AND DEBT PRIORITIES IN MANNER
SATISFACTORY TO THE CREDITORS, SHAREHOLDERS OF SKPC, AND SCC
PRIOR TO DECEMBER 31, 1975, INCLUDING, BUT NOT LIMITED TO, THE
FOLLOWING: UNQUOTE. 2.5.1.1 SUBSTITUTE: QUOTE FUNDS WHICH
MAY UNQUOTE FOR QUOTE FUND TO UNQUOTE. 2.5.1.2 ADD AT END QUOTE
SUBORDINATED TO NEW DEBT UNQUOTE. 2.5.1.3 ADD AT END QUOTE AND
NEW DEBT UNQUOTE. 2.5.1.5 SUBSTITUTE FOR ENTIRE SECTION THE
FOLLOWING: QUOTE OTHER DEBT - DEBTS OWED TO TRADE CREDITORS
AND OTHERS WHICH DO NOT ACCEPT THE SAME STATUS AS GENERAL DEBT
UNQUOTE. 2.5.2 SUBSTITUTE QUOTE ACQUISITION BY SCC, OR OTHERWISE
PROVIDE FOR SUCH ACQUISITION BY SCC, PER 5.2.3.3 UNQUOTE FOR QUOTE
APPLICATION AS PER 5.2.3.3 UNQUOTE. 2.5.4 ADD AFTER HEADING QUOTE
- TO BE DETERMINED BY CREDITORS' AGREEMENT UNQUOTE AND ADD AT
END OF SECTION QUOTE AND U.S. DOLLAR DEBT WILL HAVE A PRO-
PORTIONATE MAXIMUM RATE UNQUOTE. 3.1 SUBSTITUTE QUOTE NEW
DEBT WITHIN THREE YEARS AND ALL THEIR OTHER UNQUOTE FOR QUOTE
ALL THEIR UNQUOTE. 4.1 SUBSTITUTE FOR ENTIRE SECTION: QUOTE
4.1 DURATION. THE INTERIM MANAGEMENT PERIOD IS TO START
OCTOBER 1, 1975, AND BE DIVIDED INTO PARTS I AND II. 4.1.1
PART I WILL TERMINATE ON THE EARLIEST OF: (A) TERMINATION OF
THE MEMORANDUM OF UNDERSTANDING, DATED AS OF MAY 1, 1975,
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AS SUPPLEMENTED BY THE SUPPLEMENTAL MEMORANDUM, DATED AS OF
MAY 28, 1975, AMONG SKPC, CREDITORS, AND OTHERS; (B) EXECUTION
OF AN INTERIM MANAGEMENT CONTRACT, SATISFACTORY TO THE CREDITORS,
SKPC, AND SCC; (C) DECEMBER 31, 1975. 4.1.2 PART II WILL START
ON THE DATE OF THE INTERIM MANAGEMENT CONTRACT AND WILL
TERMINATE ON THE EARLIEST OF: (A) TERMINATION OF THE INTERIM
MANAGEMENT CONTRACT BY MUTUAL AGREEMENT OF SKPC, SCC, AND THE
CREDITORS; (B) EXECUTION OF A LONG-TERM MANAGEMENT CONTRACT;

(C) IF PRIOR TO DECEMBER 31, 1975, THE CREDITORS HAVE NOT AGREED, IN MANNER SATISFACTORY TO SCC, TO MAKE AVAILABLE ADDITIONAL WORKING CAPITAL LOANS PURSUANT TO PLANS DEVELOPED UNDER 4.3.6 IN AN AMOUNT NOT EXCEEDING BAHT 120,000,000; (D) JUNE 30, 1979; OR (E) DECLARATION OF AN EVENT OF DEFAULT UNDER THE CREDITORS' AGREEMENT. UNQUOTE 4.4.2 ADD AFTER QUOTE YEAR UNQUOTE THE FOLLOWING: QUOTE OR IN EXCESS OF BAHT 1,000,000 UNQUOTE. 4.5.1 ADD AT END OF 4.5.1 QUOTE OTHER THAN SCC'S OWN FRAUD OR GROSS NEGLIGENCE UNQUOTE. 4.5.2 ADD AFTER QUOTE ACTIONS UNQUOTE THE WORDS QUOTE OF SKPC UNQUOTE. 4.6 DELETE ENTIRE SECTION. 5.1 ADD AFTER QUOTE CONTRACT UNQUOTE THE WORDS QUOTE TO BE NEGOTIATED WITH SKPC AND UNQUOTE AND ADD BEFORE THE NUMBER QUOTE 15 UNQUOTE THE WORDS QUOTE UP TO UNQUOTE. 5.1.4 ADD NEW CLAUSE, AS FOLLOWS: QUOTE REACHED MUTUAL AGREEMENTS WITH CREDITORS THAT THE INTTERIMMANAGEMENT CONTRACT HAS BEEN SATISFACTORILY PERFORMED UNQUOTE. 5.2.1 O. K., SUBJECT TO QUANTITATIVE ANALYSIS OF AMOUNTS INVOLVED. 5.2.2 O. K., SUBJECT TO QUANTITATIVE ANALYSIS OF AMOUNTS INVOLVED. 5.2.3.1 O. K., SUBJECT TO ANALYSIS OF AMOUNTS INVOLVED. 5.2.3.2 O. K., SUBJECT TO ANALYSIS OF FORMULA OPERATION. 5.2.3.3 DELETE QUOTE THE CREDITORS UNQUOTE AND ADD AT END: QUOTE FROM THE CREDITORS OR DIRECTLY FROM SCC UNQUOTE. 5.6 ADD AFTER QUOTE PARTY UNQUOTE THE WORDS QUOTE OR A DECLARATION OF AN EVENT OF DEFAULT UNDER THE CREDITORS' AGREEMENT UNQUOTE. KISSINGER

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Message Attributes

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